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SERVICE DATE – MAY 25, 2018

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36179]

Lake State Railway Company—Lease Exemption—Grand Trunk Western Railroad Company

Lake State Railway Company (LSRC), a Class III rail carrier, has filed a verified notice of exemption under 49 C.F.R. § 1150.41 to lease from Grand Trunk Western Railroad Company (GTW) and operate approximately 3.9 miles of rail line, extending from approximately milepost 55.8 at the north side of Griswold Road to the end of the track at approximately milepost 59.7 at the Dunn Paper switch in Port Huron, Mich. (PH Track).

According to LSRC, it has entered into a Track Lease for the Handling of Cars and a companion Switching Agreement, both dated March 23, 2018, providing for LSRC's lease and operation of the PH Track. LSRC states that GTW will retain responsibility for the Black River drawbridge located at milepost 58.2 on the PH Track.

LSRC certifies that its projected revenues will not exceed those that would qualify it as a Class III rail carrier. LSRC further certifies, as required by 49 C.F.R. § 1150.42(e), that on April 12, 2018, it posted a 60-day notice of this transaction at the workplaces of current GTW employees on the PH Track and served the notice on the national offices of the labor unions for those employees. LSRC states that its proposed

lease and operation of the PH Track does not involve any provision or agreement that would limit future interchange with a third-party connecting carrier.

The transaction may be consummated on June 11, 2018, the effective date of the exemption (60 days after the § 1150.42(e) requirements were satisfied).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions to stay must be filed no later than June 4, 2018 (at least seven days before the exemption becomes effective).¹

An original and 10 copies of all pleadings, referring to Docket No. FD 36179, must be filed with the Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Thomas J. Litwiler, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 920, Chicago, IL 60606-2832.

According to LSRC, this action is exempt from environmental review under 49 C.F.R. § 1105.6(c) and exempt from historic review under 49 C.F.R. § 1105.8(b).

Board decisions and notices are available on our website at WWW.STB.GOV.

Decided: May 22, 2018.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.

¹ On May 11, 2018, the Brotherhood of Locomotive Engineers and Trainmen, a Division of the Rail Conference of the International Brotherhood of Teamsters (BLET), filed a petition opposing the transaction and asking the Board to stay the exemption. The Board will address BLET's petition in a separate decision.